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November 26, 2013

**Via E-Mail**

Mr. Eric Lounsberry  
Engineering Department  
Illinois Commerce Commission  
527 E. Capital Ave.  
Springfield, IL 62701

RE: Nicor Gas Company's Comments to Post Workshop Three Draft of Part 500

Dear Mr. Lounsberry:

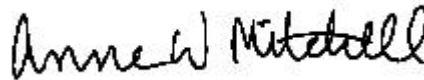
On behalf of Northern Illinois Gas Company d/b/a Nicor Gas Company ("Nicor Gas" or the "Company"), please find below the Company's comments on Staff's post workshop three draft of Part 500, dated November 12, 2013.

- Global Comment – Nicor Gas continues to maintain that references in the draft rule to checks and/or inspections should be in calendar years rather than months or with an agreed tolerance (*i.e.*, not to exceed a given value or plus or minus a given timeframe). As the Company has previously stated, all the inspection frequencies specified in 49 CFR Part 192, as adopted in Illinois per 83 Illinois Administrative Code Section 590.10, are stated in calendar years with a three month grace period. Accordingly, gas operators have set up their systems to capture, track and calculate future inspections dates based on the calendar year requirements. Furthermore, it is Nicor Gas' position that the use of numbers of years will lead to less confusion in applying the rule as it is easier to remember, for example, "every seven calendar years" rather than "every 84 months".
- Section 500.530 Heating Value – Nicor Gas proposes the following revised language to reflect the Company's experience of more volatility in Btu content being delivered with the increased production of shale gas:

Each utility shall exercise in good faith all reasonable best efforts to maintain a consistent heating value for the natural gas it provides to its customers. A utility shall take what actions it deems necessary to avoid daily heating value fluctuations in excess of 5% for the gas it provides to individual customers. A utility can allow the daily heating value of gas delivered to its customer to fluctuate in excess of 5% when a failure to take such gas would result in a supply shortage, ~~for the purpose of meeting the requirements of a peak load or an emergency, a utility makes use of a reserve or emergency supply, such as liquefied petroleum gas.~~

Nicor Gas looks forward to continued participation in the process to revise Part 500. If you have any questions, or would like any additional information, please contact myself or anyone copied on this letter.

Sincerely,



Anne W. Mitchell

cc: Lewis Binswanger  
Nancy Brucher  
Roy Chapman  
Len Gilmore  
Vida Hotchkiss  
Jeff Johnson  
Tom Moretti  
John Rooney  
Gary Stercay